



United States
Attorney's Office
Southern District of New York



PRESS RELEASE

U.S. Attorney Announces Charges Against Co-Director Of Think Tank For Acting As An Unregistered Foreign Agent, Trafficking In Arms, Violating U.S. Sanctions Against Iran, And Making False Statements To Federal Agents

Monday, July 10, 2023

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For Immediate Release

U.S. Attorney's Office, Southern District of New York

Gal Luft, a Dual U.S.-Israeli Citizen, Allegedly Evaded FARA Registration While Working to Advance the Interests of China in the United States and Sought to Broker the Illicit Sales of Chinese-Manufactured Weapons and Iranian Oil to China

Damian Williams, the United States Attorney for the Southern District of New York, Matthew G. Olsen, the Assistant Attorney General for National Security, and Christie M. Curtis, the Acting Assistant Director in Charge of the New York Field Office of the Federal Bureau of Investigation ("FBI"), announced today the unsealing of an eight-count Indictment charging GAL LUFT with offenses related to willfully failing to register under the Foreign Agents Registration Act ("FARA"), arms trafficking, Iranian sanctions violations, and making false statements to federal

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agents. LUFT, a dual U.S.-Israeli citizen, was arrested on February 17, 2023, in the Republic of Cyprus based on the charges in the Indictment. LUFT subsequently fled after being released on bail while extradition proceedings were pending and remains a fugitive.

U.S. Attorney Damian Williams said: “As alleged, Gal Luft, a dual U.S.-Israeli citizen and co-head of a Maryland think tank, engaged in multiple, serious criminal schemes. He subverted foreign agent registration laws in the United States to seek to promote Chinese policies by acting through a former high-ranking U.S. Government official; he acted as a broker in deals for dangerous weapons and Iranian oil; and he told multiple lies about his crimes to law enforcement. As the charges unsealed today reflect, our Office will continue to work vigorously with our law enforcement partners to detect and hold accountable those who surreptitiously attempt to perpetrate malign foreign influence campaigns here in the United States.”

FBI Acting Assistant Director in Charge Christie M. Curtis said: “As alleged, the defendant engaged in multiple schemes to evade sanctions and laws intended to protect our national security. The FBI is determined to defend our nation by enforcing laws designed to promote transparency of foreign influence within the United States.”

According to the allegations contained in the Indictment, other filings, public information, and statements made during court proceedings:[\[1\]](#)

For years, LUFT, a dual U.S.-Israeli citizen who serves as the co-director of a Maryland-based think tank, engaged, along with others, in multiple international criminal schemes.

First, LUFT conspired with others in an effort to act within the United States to advance the interests of the People’s Republic of China (“China”) as agents of China-based principals, without registering as foreign agents as required under U.S. law. As part of this scheme, while serving as the co-director of a Maryland-based non-profit think tank, LUFT agreed to covertly recruit and pay, on behalf of principals based in China, a former high-ranking U.S. Government official (“Individual-1”), including in 2016 while the former official was an adviser to the then-President-elect, to publicly support certain policies with respect to China without LUFT or Individual-1 filing a registration statement as an agent of a foreign principal with the Attorney General of the United States, in violation of FARA. Among other things, in the weeks before

2016 U.S. presidential election, LUFT and a co-conspirator (“CC-1”), who is a Chinese national and worked for a Chinese nongovernmental organization affiliated with a Chinese energy company, created a written “dialogue” between CC-1 and Individual-1, in which LUFT wrote Individual-1’s responses and included information that was favorable to China. The dialogue was then published in a Chinese newspaper online and sent to, among others, individuals in the United States, including a journalist and professors at multiple U.S. universities. When LUFT was writing the dialogue, CC-1 told LUFT that “[i]n these articles, we do not want to spill all the beans yet, just enough to let ‘people’ know he [i.e., Individual-1] is in the corridor of power to be. Just broad stroke policy consideration that leaves plenty of room for interpretation and imagination to be filled in later.” After the purported “conversations” were published, LUFT told CC-1 that certain information, favorable to China, had been “tucked between the lines.” Shortly after the 2016 election, LUFT and CC-1 also discussed possible roles Individual-1 might have in the incoming U.S. administration and discussed Individual-1 taking a “silent trip” to China. LUFT responded that “[w]e are debating about his role in the new admin. There are all kinds of considerations . . . We should talk ftf [i.e., face-to-face] as there can be a supremely unique opportunity for china.”

Second, LUFT conspired with others and attempted to broker illicit arms transactions with, among others, certain Chinese individuals and entities. In his role as a broker or middleman, LUFT worked to find both buyers and sellers of certain weapons and other materials, without a license to do so as required under U.S. law, in violation of the Arms Export Control Act. Among other things, LUFT worked to broker a deal for Chinese companies to sell certain weapons to Libya, including anti-tank launchers, grenade launchers, and mortar rounds (which LUFT and his associates referred to in coded language as “toys”). LUFT also worked to broker deals for certain weapons to be sold to the United Arab Emirates, including aerial bombs and rockets. LUFT further worked to broker deals for certain weapons to be sold by a Chinese company to Kenya, including unmanned aerial vehicles (“UAVs”) – and specifically “strike” UAVs, which LUFT acknowledged “[t]he US doesn’t want to sell[. . .] hence the opportunity.” LUFT also discussed brokering a deal for weapons to Qatar and told CC-1 that Israel was “not a good fit” as the middleman for the deal because it had the “[s]ame problem the [] Q [i.e., Qataris] have w uncle [i.e., the United States]. Need a third party. . . . I will activate.” In his role as a broker for illicit arms deals, LUFT worked on a commission basis and traveled to meetings and received and passed on documentation needed to secure the deals. During a voluntary interview with U.S. law enforcement in which he was asked questions about his involvement in arms trafficking, LUFT made multiple false statements, including that he had not sought to engage in or profit from arms deals.

Third, LUFT conspired with others and attempted to broker deals for Iranian oil – which he directed an associate to refer to as “Brazilian” oil in an effort to conceal the activity and evade sanctions – in violation of U.S. sanctions against Iran and the International Emergency Economic Powers Act. In his role as a broker or middleman, LUFT solicited buyers and passed on pr



and other information. One offer letter for Iranian oil that LUFT received noted that the “origin” of the oil was “Iranian / It can be presented as UAE origin without Iranian papers.” He also assisted in setting up meetings between Iranian representatives and a Chinese energy company for the purpose of discussing oil deals. During a voluntary interview with U.S. law enforcement in which he was asked about his role brokering deals in Iranian oil, LUFT made multiple false statements, including that he had tried to prevent oil deals with Iran and had not been present during meetings with the Chinese energy company and Iranians.

* * *

LUFT, 57, a dual U.S.-Israeli citizen who formerly resided in both Maryland and Israel and is now a fugitive, has been charged with the following offenses, which carry the maximum prison terms listed below. The statutory maximum penalties are prescribed by Congress and are provided here for informational purposes only, as any sentencing of the defendant would be determined by a judge.

| Count | Charge | Maximum Prison Term |
|-------|---|---------------------|
| One | Conspiracy to violate the Foreign Agents Registration Act | Five years |
| Two | Conspiracy to violate the Arms Export Control Act | Five years |
| Three | Violation of the Arms Export Control Act (relating to Libya) | 20 years |
| Four | Violation of the Arms Export Control Act (relating to the United Arab Emirates) | 20 years |
| Five | Violation of the Arms Export Control Act (relating to Kenya) | 20 years |
| Six | Making false statements | Five years |
| Seven | Conspiracy to violate the International Emergency Economic Powers Act | 20 years |
| Eight | Making false statements | Five years |



Mr. Williams praised the outstanding investigative work of the FBI and its New York Field Office, Counterintelligence Division. Mr. Williams also thanked the Internal Revenue Service – Criminal Investigation, the Department of Justice’s National Security Division, and the Department of Justice’s Office of International Affairs for their assistance.

If you have any information about LUFT’s whereabouts, please contact your local FBI office or the nearest American Embassy or Consulate. Tips can be reported anonymously and can also be reported online at tips.fbi.gov.

This matter is being handled by the Office’s National Security and International Narcotics Unit. Assistant U.S. Attorneys Daniel C. Richenthal and Catherine Ghosh are in charge of the prosecution, with assistance from Trial Attorney Scott Claffee of the National Security Division’s Counterintelligence and Export Control Section.

The charges contained in the Indictment are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

[1] As the introductory phrase signifies, the Indictment and the description of the Indictment set forth herein constitute only allegations, and every fact described should be treated as an allegation.

[U.S. v. Luft Indictment](#)

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